

**§ 115C-238.82. Allotment formula; adjustments to other allotments; enrollment reserve.**

(a) The State Board of Education shall implement an allotment formula for NCVPS as follows:

- (1) Project NCVPS student enrollment by semester and year-long course types for each public school unit.
- (2) Establish a per-student, per-course teacher payment structure for the instructional costs of NCVPS. In establishing this payment structure, the State Board of Education shall consider the following:
  - a. The payment structure shall be based on a total compensation analysis to ensure NCVPS teacher pay has parity with similar programs. The total compensation analysis shall take into account salaries, benefits, and work effort to ensure valid comparisons between occupations.
  - b. The effects any change in NCVPS teacher payments may have on the attraction and retention of NCVPS teachers.
- (3) Develop a per-student, per-course fee structure that is based on the per-student, per-course teacher pay structure. The per-student, per-course fee structure shall ensure that the projected cost for public school units equals the projected instructional cost for NCVPS courses. The State Board of Education shall consider recommendations from the NCVPS Advisory Council in establishing a per-student, per-course fee structure.
- (4) Multiply the per-student, per-course fees by the projected enrollment by course type to determine the total instructional cost for each public school unit.
- (5) Transfer a dollar amount equal to seventy-five percent (75%) of the public school unit's projected instructional cost from the classroom teacher allotment to NCVPS.
- (6) No later than February 28 of each year, calculate the actual instructional cost for each public school unit based upon actual NCVPS enrollment as of that date.
- (7) Subtract the amount transferred pursuant to subdivision (5) of this subsection from the actual instructional cost for each public school unit and transfer the remaining dollar amount owed, up to a maximum of one hundred percent (100%) of the projected cost.
- (8) Develop and implement a policy regarding returning funds to public school units in cases where the amount transferred pursuant to subdivision (5) of this subsection exceeds the actual instructional cost.

(b) The State Board of Education shall reduce each public school unit's classroom teacher allotment, or other allotment, as determined by the State Board of Education, on the basis of ADM in grades six through 12 to support the State-level operations and administration of NCVPS. The allotment reduction to support the State-level operations and administration of NCVPS shall be based on the reduction taken from the prior fiscal year but shall be adjusted annually based upon the percentage growth in NCVPS enrollment to ensure the expansion of services due to increased student enrollment in NCVPS courses.

(c) An NCVPS enrollment reserve fund shall be maintained in an amount of at least two million dollars (\$2,000,000). For each fiscal year, the State Board of Education shall reduce each public school unit's classroom teacher allotment, or other allotment, as determined by the State Board of Education, on the basis of ADM in grades six through 12 by an amount that is the difference between two million dollars (\$2,000,000) and the balance of the NCVPS enrollment reserve. The funds in the NCVPS enrollment reserve fund shall not revert and shall be used to cover the NCVPS instructional cost of students enrolled in (i) public school units with

enrollments exceeding projected NCVPS enrollment, (ii) Department of Defense schools, and (iii) schools operated by the Bureau of Indian Affairs.

- (d) Only the following funds shall be used to cover the instructional costs of NCVPS:
  - (1) Funds provided through the NCVPS allotment formula, as established by subsection (a) of this section.
  - (2) Funds provided through the NCVPS enrollment reserve, as set forth in subsection (c) of this section.
  - (3) Funds from the sale of courses to out-of-state educational entities, pursuant to G.S. 115C-238.81(d).
  - (4) Local funds, including funds from private sources.
  - (5) Federal funds.
  - (6) The Special State Reserve Funds for Children and Youth with Disabilities.
  - (7) The ADM Contingency Reserve. (2019-51, s. 2.1.)